

REMARKS/ARGUMENTS

Claims 1-17, 19-27, and 36-48 are pending. Claims 1, 6-7, 9-10, 17, 19, 20, 36, 39, and 46 have been amended. New claim 48 has been added. Support for the new and amended claims can be found in the specification. No new matter has been added.

35 U.S.C. § 101

Claims 1-6, 11-17, 21-27, and 37-45 were rejected under 35 U.S.C. § 101. Applicant respectfully submit that these claims, as amended, satisfy 35 U.S.C. § 101. The claim language of claims 1-6, 11-17, 21-27, and 37-45 explicitly recites means within the technological arts. For example, these claims recite a computer network system, kiosk, or loyalty card.

35 U.S.C. § 112

Claims 6-10, 17, 19-20, and 36 were rejected under 35 U.S.C. § 112, second paragraph. Applicant respectfully submit that these claims, as amended, satisfy 35 U.S.C. § 112.

In addition, with respect to claim 36, as amended, the later process steps of "recording by a computer network system a price paid" and "granting a rebate of the difference between said recorded price and said discount" occur in response to the detecting process step, thus these later process steps are functionally related to the former process steps (i.e., identifying, promoting, withdrawing, granting, holding, and detecting) of claim 36. Moreover, both the recording and the former process steps are performed by the computer network system. Therefore, for at least these reasons, claim 36 should be allowed.

35 U.S.C. § 103(a)

Claims 1-5, 9-17, 19-27, and 37-47 were rejected under 35 U.S.C. § 103(a) as being unpatentable over PR Newswire article "Caldor Announces Agreement with New York State Attorney General," dated January 11, 1993 ("Caldor") and further in view WO 98/38589 to Abell ("Abell"), and further in view of "Borland International: Publishes file format specification; adjusts price of Reflex to \$149.95," dated April 24, 1986 ("Borland"). Claims 6-8

and 17 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Caldor, Abell, and Borland, and further in view of U.S. patent 6,185,541 to Scroggie.

Prolonging not shown

Applicant respectfully submits the cited references, individually and in combination, do not discuss or suggest the present invention as claimed in claim 1. For example, claim 1 recites, in part, "... the prolonging for said identified consumer is independent of availability of the first selected item during the predetermined period." Examiner acknowledges that both Caldor and Abell do not teach this claimed feature, and relies on Borland to cure this deficiency. (Office Action: p. 11). However, Applicant submits that nowhere does Borland discuss or suggest prolonging for an identified consumer is independent of availability. Borland merely discusses extending an offer period to all customers, which is very different from the claimed invention. Borland does not even identify a customer, much less extend an offer period for an identified customer.

No motivation to combine

Applicant respectfully submits that there is no motivation to combine the cited references. Examiner states "... to implement the prolonging of the offering of discount or special price to the identified consumers regardless of the availability of the item product during the predetermined period as per Borland, because such implementation would enable the vendor to have more consumers purchase their products upon determining that the offer was overwhelmingly popular and that larger customer base may be built by prolonging the promotion." (Office Action: pp. 11-12). However, the stated reason does not support the combination and does not explain why the prolonging is limited to an identified consumer, instead of all consumers. If anything, building a larger customer base suggests a sale open to all consumers as shown in Borland. Moreover, one naturally concludes that a larger customer base would not be built by prolonging an offer on Caldor's unavailable item. In fact, it would exacerbate the disadvantages of Caldor, such causing "an inquiry by the State Attorney General's office into the alleged unavailability of certain advertised sale items at some Caldor stores in New York." (Caldor: p. 1).

Improper combination

In addition, it is improper to combine references where the proposed modification renders the prior art unsatisfactory for its intended purpose. (MPEP 2143.01; MPEP 2145(D)). The combination of Caldor, Abell, and Borland would not function for the intended purpose as stated in Caldor. Caldor discusses a rain check, or an offer limited to customers that attempted to purchase an advertised item unavailable during a sale period, while Borland discusses an extended sale period open to all customers. As can be clearly seen, the intended purposes of Caldor and Borland are wholly incompatible. Borland is purposely open to all, and Caldor is purposely limited (i.e., not for all, only for those customers who attempted to purchase an unavailable item). Under Examiner's proposed combination, Caldor would no longer be limited to customers who attempted to purchase an advertised item unavailable during a sale period, and thus would fail to be a rain check at all. Caldor would no longer function according to its intended purpose, and accordingly it teaches away from Examiner's proposed combination. Accordingly, one of ordinary skill in the art would have no motivation to combine the cited references.

Applicant also respectfully submits that Examiner's proposed modification impermissibly changes the principle of operation of Caldor. Examiner characterizes elements of Caldor as manual operations performed by a rain check customer and/or clerk. (Office Action: p. 10). However, claim 1 recites a computer network system for the determining and prolonging process steps. Using a computer network system to automate the operations of Caldor would require a substantial reconstruction and redesign of the purported elements shown in Caldor as well as a change in the basic principle under which Caldor was designed to operate.

Performed by computer network system not shown

Furthermore, claim 1 specifically recites, in part, "[a] method of extending promotional discounts on items for sale to consumers performed by at least one computer network system." Caldor fails to discuss or suggest a method for extending promotional discounts performed by at least one computer network system. Nowhere does Caldor discuss or suggest that any of the steps for extending the sale period are performed by a computer. In fact,

Examiner has naturally assumed the "determining" to be done by a store clerk — not a computer. (See Office Action: page 10). Similarly, Borland also fails to discuss or suggest a method for extending promotional discounts performed by at least one computer network system. Nowhere does Borland discuss or suggest that any of the steps for extending the sale period are performed by a computer.

Reconsideration and allowance of claims


For at least the above reasons, claim 1 should be allowed. Claims 1-17, 19-27, 37-45, and 48, which depend from claim 1, should be allowed for at least a similar rationale as discussed above for claim 1, as well as the additional features they recite. The above rationale for claim 1 also applies to independent claim 46, and thus claim 46 should be allowed for at least those reasons. Claim 47, which depends from claim 46, should be allowed for at least a similar rationale as claim 46, as well as the additional features it recites.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 650-326-2400.

Respectfully submitted,



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